

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Digital Audio Broadcasting Systems	)	
And Their Impact On the Terrestrial Radio	)	MM Docket No. 99-325
Broadcast Service.	)	

**COMMENTS OF Victor Company of Japan Ltd.**

Victor Company of Japan Ltd. (“JVC”) hereby submits its comments in response to the Federal Communications Commission’s recent public notice concerning terrestrial digital audio broadcasting (“DAB”). *Comments Sought on National Radio Systems Committee DAB Subcommittee’s ‘Evaluation of the iBiquity Digital Corporation IBOC System’*, MM Docket No. 99-325, DA 01-2932 (Dec. 19, 2001) (“Public Notice”). The FCC’s Public Notice seeks comment from interested parties on recent developments concerning In-Band On-Channel (“IBOC”) DAB. In particular, the FCC has asked for comment on a report from the National Radio Systems Committee (“NRSC”) endorsing iBiquity Digital Corporation’s (“iBiquity”) IBOC system. The Public Notice also seeks comment on iBiquity’s recent report on testing of its FM IBOC system. Based on these recent advancements in the development of IBOC, JVC encourages the FCC to endorse the iBiquity IBOC system to permit the commencement of digital broadcasting.

JVC encourages the FCC to move forward with an endorsement of the iBiquity system. As a leading manufacturer of audio products, JVC has closely followed the development of IBOC technology and the iBiquity system. JVC believes iBiquity’s system has reached the stage for successful commercialization. However, successful

introduction of IBOC is dependent on the proper regulatory environment from the FCC. In this regard, JVC submits these suggestions to the FCC as it considers the implementation of IBOC.

JVC is putting in place its plans for commercial introduction of IBOC receivers. As with any new product introduction, that process will require a significant commitment of time and capital to ensure a successful launch. Outstanding regulatory uncertainty about the U.S. government's commitment to IBOC, however, will delay any company's commitment to such expenditures. JVC would like to see the FCC adopt a definitive IBOC standard and provide a comprehensive set of transition rules to provide consumers with all the information they need to move forward with IBOC. But JVC also believes the FCC can act now to foster the IBOC commercialization while the FCC finalizes an IBOC standard and comprehensive IBOC rules.

JVC encourages the FCC to endorse immediately IBOC as the best means of implementing DAB in the United States. The FCC should end speculation that the FCC will pursue an out-of-band solution for the U.S. market. In addition, the FCC should provide an unqualified endorsement of the iBiquity system as the IBOC system to be implemented in the United States. Those steps can be taken before the FCC finalizes its IBOC rules but will provide receiver manufacturers, such as JVC with confidence that an immediate investment in IBOC will not be impacted by pursuit of a different regulatory solution for DAB.

Immediate action by the FCC is imperative if receiver manufacturers are to make investments in time to introduce IBOC receivers into the market in 2003. There are

significant lead times involved in the production of IBOC equipment so regulatory delay will translate into delayed commercialization.

For the foregoing reasons, JVC respectfully encourages the FCC to endorse iBiquity's IBOC DAB system to encourage the introduction of this new technology.

Respectfully submitted,

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Dated: February 19, 2002